



The President's Daily Brief

~~Top Secret~~ 10 December 1966



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DAILY BRIEF
10 DECEMBER 1966

1. North Vietnam

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2. Indonesia

General Suharto has finally been persuaded that President Sukarno must be deposed.

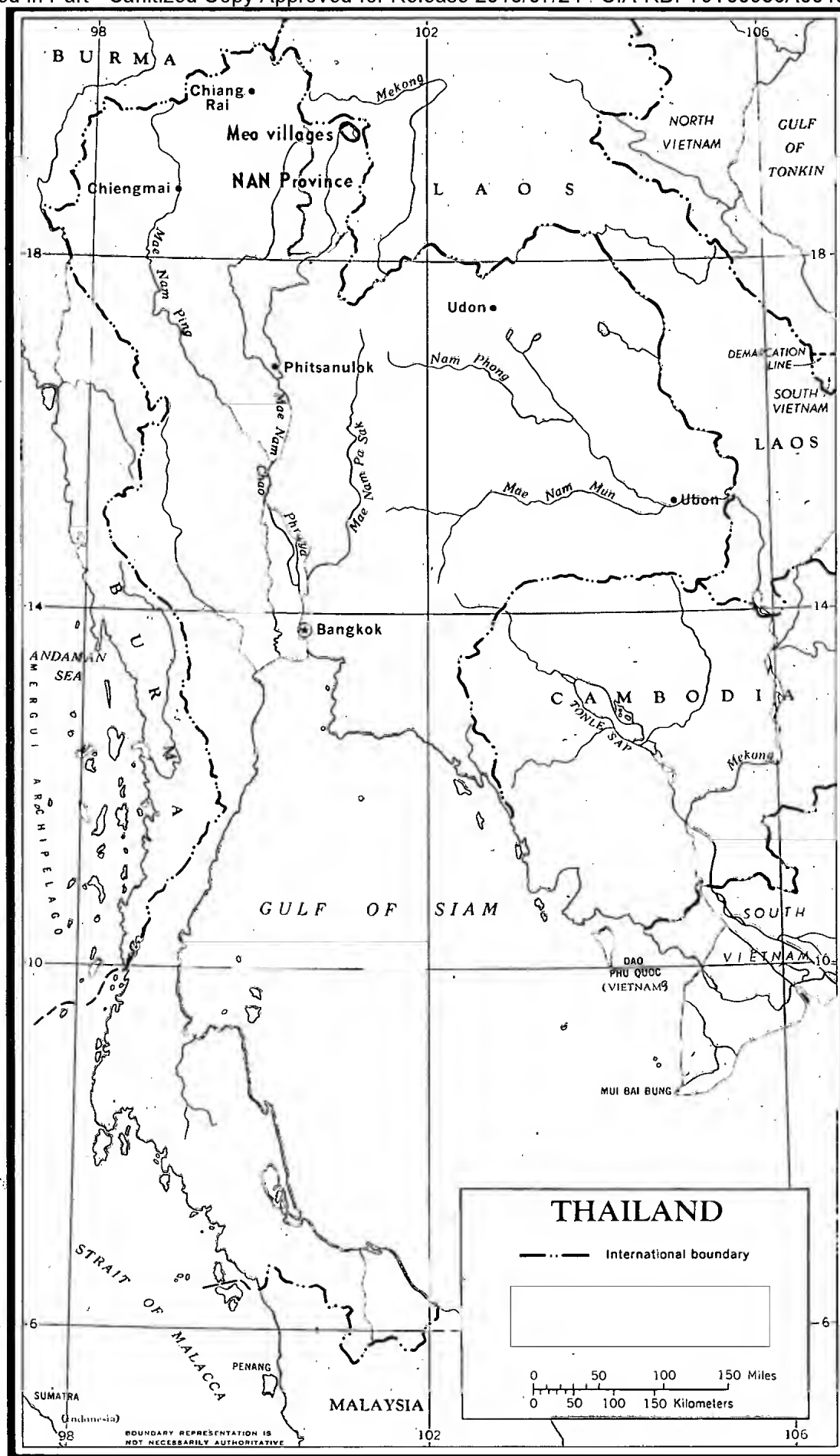
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The current highly publicized trial of former air force chief Dani is being used effectively to prepare the case against Sukarno. The judges have gone out of their way to implicate Sukarno in last year's pro-Communist coup effort and the President in effect is also on trial.

This does not mean Suharto will move against Sukarno in the very near future. The cautious general is very much aware of strong pro-Sukarno sentiment in densely populated eastern and central Java and of the need to strengthen popular backing for a move against Sukarno.

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3. Macao

The Chinese are keeping the pot boiling in Macao.

Just as the situation was calming down after the newly arrived Portuguese governor humbled himself before local Communists, the government of Kwangtung--the province of Communist China immediately adjacent to the colony--has issued a new set of demands. These include punishment of colonial officials, surrender of Chinese Nationalist agents to mainland authorities, and apologies to Chinese residents.

Should further Communist provocation result in renewed violence, Peking could use this as a pretext for moving into the colony "to restore public order." In that event, the Portuguese could offer only token resistance.

We are not sure what is behind this latest Chinese move. The Kwangtung government has been under Red Guard attack and may feel it has to be as militant as possible. On the other hand, one of the struggling factions in Peking may be giving the orders to gain political advantage.

In any case, continued pressure on Macao will cause a serious flight of capital from Hong Kong, and this would seem to be against Peking's interests, if it is not too preoccupied to consider them.

4. Thailand

The Communists are apparently making gains among some tribesmen in northern Thailand, far from the main area of their activities in the northeast. The Communists appear to have won control of eight Meo tribal villages in remote and rugged Nan Province (see map).

[] the Communists have brought in personnel from Laos to give the villagers weapons training and are sending some tribesmen to Laos and North Vietnam for military and ideological training.

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5. Sino-Soviet Dispute

The principal conclusions of the National Intelligence Estimate entitled "The Outlook for Sino-Soviet Relations," which has just been published, are summarized below:

--We believe that Sino-Soviet relations will continue to deteriorate as long as the Mao Tse-tung - Lin Piao leadership group retains authority.

--While we do not foresee a deliberate break in state relations, we cannot exclude a sudden explosion of the dispute into a new and more virulent form in the near term. Unplanned incidents could provoke greater hostility and more forceful retaliations.

--In the longer term, the prospects rest mainly on what happens in China after Mao. A regime even more anti-Soviet than the present one could emerge. Even in this case, however, both sides would almost certainly seek to avoid war.

--The emergence of a more flexible leadership in Peking could lead to some easing of tensions. While it is unlikely that any Chinese regime would offer the Soviets significant concessions, even a very limited rapprochement would be likely to have an important effect on the world scene as a whole.

6. United Kingdom

One of the most bitterly emotional slug-fests in recent British parliamentary history shook the House of Commons this week. When it was over, Wilson had the endorsement he wanted for his Rhodesia policy

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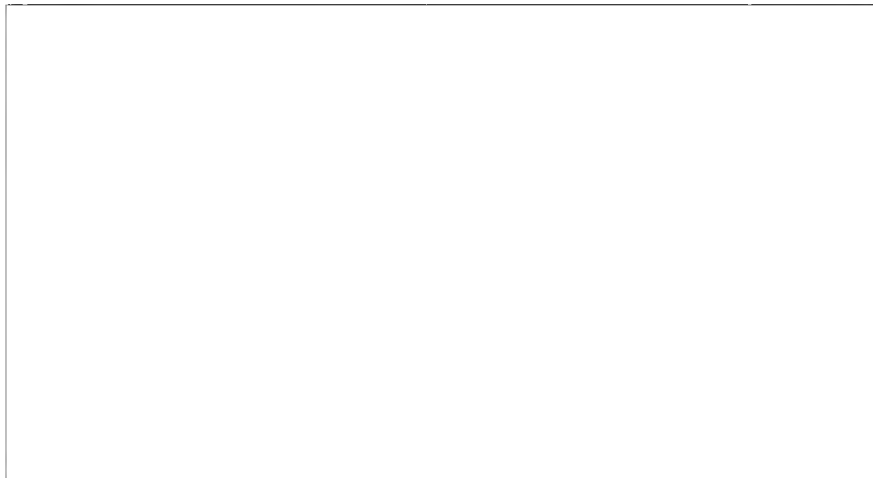
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7. Rhodesia

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